

The Regular Session was called to order at 7:00 P.M., by Mayor Ferguson with City Councilors Medina, Harriman, Miller, and Nesbitt present along with City Manager Coleman, Deputy City Clerk Meehan, Finance Director Hanson, City Attorney Landwehr, several interested citizens and the press.

**Consideration of Minutes:****Regular Session Meeting Minutes of May 9, 2006.**

Councilor Medina moved and Councilor Nesbitt seconded the motion to approve the Regular Session minutes of May 9, 2006, as submitted.

Roll call vote, yes: Medina, Harriman, Ferguson, Nesbitt. Motion carried by majority.

Roll call vote, no: None.

Roll call vote, abstain: Councilor Miller abstained as he was out of town on the May 9, 2006 meeting.

**Pre-Scheduled Citizens:** None.

**Unfinished Business:**

**Discussion and Action on Request from Gunnison Home Association, Re: Use of Land for Senior RV Park.** Councilor Miller excused himself from this discussion as he is a Gunnison Home Association Board member. City Manager Coleman stated that there is a memo in Council's packets regarding this discussion and asked City Attorney Landwehr and citizen Don Crosby, President of Gunnison Home Association, to review the request. Mr. Crosby gave a history of the land and the development project of senior housing. The GHA Board would like Council's input on the project. He also read a statement for the record: "The Home Association Board feels that the Elk's Club unwillingness to comment on the appropriateness of the use of this land, clearly says they have no interest and feel they no authority or jurisdiction over the use of this parcel". He also stated that the RV lots would be rentals only-not for sale, and that their intent is to have a management contract for the property and, as a Board, they don't plan at this time on operating the facility. Councilor Nesbitt asked Mr. Crosby if the Board has obtained legal counsel or does the Home Association have legal counsel? Mr. Crosby replied "yes". Councilor Nesbitt stated that the City has no deeded interest in this property since 1975 is that correct? Mr. Crosby - yes. Councilor Nesbitt - since August 20<sup>th</sup>? So at this time, we (the City) have no deeded interest as well. Mr. Crosby - no. Councilor Nesbitt - would it be possible, do you think, since that reverter issue, and Rod had spoken to the invalidness of that, due to the perpetuity piece, is there any issue, or maybe this is a question for Rod. What if we did a correction deed, or the Home Association did a correction deed and you participated to take out that last sentence where it says "and if at such time as the land is used for some other purpose title thereto shall revert to the grantor..", and that might clean the title issue up. City Attorney Landwehr stated that the sentence in question, in his opinion, is not enforceable. It's an invalid provision in that it creates a future interest in violation of the rule against perpetuity. Now, yes, if we have no further interest in participating in control over the use of that property, other than our zoning ordinances, we can certainly disclaim that interest to assist the Gunnison Home Association. Councilor Nesbitt stated that the City has no interest in the property and has had no interest since 1975, and that we are not interested at all, remotely, in that property. City Attorney Landwehr stated that the City can disclaim any interest in the property whatsoever. Councilor Nesbitt asked if that would be done by ordinance and the City Attorney responded affirmatively. Discussion followed. Council had no issue with the project.

Councilor Nesbitt moved and Councilor Harriman seconded that 1. Council accept the proposal, that it has no objection; and 2. Staff work with the City Attorney to prepare an ordinance disclaiming the City's interest in the present and future of this property.

Roll call vote, yes: Harriman, Ferguson, Nesbitt, Medina. Motion carried by majority.

Roll call vote, no: None.

Roll call vote, abstain: Councilor Miller abstained as he is on the Gunnison Home Association Board.

Councilor Miller returned to the meeting.

**Discussion on Request from Cattlemen's Days Association for Police Department Presence/Overtime.** City Manager Coleman state there was a memo in Council's packet that provides the information. Council concurred with one another that this falls under the scope of management authority and discretion and requires no motion or vote.

**Discussion and Action on Request from Tenderfoot Family and Child Development Center for Waiver of Electric Fees.** Finance Director Hanson stated that this is an Additional Memorandum Agreement for Contract for Services and not a waiver agreement. City Attorney Landwehr stated that this is an amendment to the existing Contract for Service to increase the amount in the fiscal year 2006 by \$650.00, that amount to be expended for the payment of their construction electrical fees.

Finance Director Hanson stated action requested is to approve the Mayor's signature on the amended memorandum agreement.

Councilor Medina moved and Councilor Miller seconded the motion that the Mayor be authorized to sign the Amendment to the Memorandum Agreement which increases the amount by \$650.00.

Roll call vote, yes: Ferguson, Miller, Nesbitt, Medina, Harriman. So carried.

Roll call vote, no: None.

**Discussion and Action on Ordinance No. 7, Series 2006, Re: Amending Chapter 2.20, Purchasing Policy and Procedure, of the 2006 Municipal Code, 1st Reading.**

City Attorney Landwehr noted that all of these referenced numbers are new city code numbers. City Manager Coleman stated that this topic has been gone over previously with Council. Finance Director Hanson reviewed the changes in the policy.

Councilor Nesbitt introduced Ordinance No. 7, Series 2006, and it was read by title only by Councilor Nesbitt.

Councilor Nesbitt moved and Councilor Medina seconded the motion that Ordinance No. 7, Series 2006, **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GUNNISON, COLORADO, AMENDING CHAPTER 2.20, PURCHASING POLICY AND PROCEDURE, OF THE 2006 CITY OF GUNNISON MUNICIPAL CODE**, be introduced, read, passed and ordered published on first reading this 23rd day of March, 2006.

Roll call vote, yes: Miller, Nesbitt, Medina, Harriman, Ferguson. So carried.

Roll call vote, no: None.

**New Business:**

**Action on Appointment to Fill Vacancy on Planning & Zoning Commission with Term to Expire May, 2011.**

Councilor Nesbitt moved and Councilor Miller seconded the motion of the adoption of the appointment to fill the vacancy on Planning Commission with Jonathon D. Houck and note that the file received a letter of interest May 10, 2006.

Roll call vote, yes: Nesbitt, Medina, Harriman, Ferguson, Miller. So carried.

Roll call vote, no: None.

**Action on Appointment to Fill Vacancies on Zoning Board of Adjustments and Appeals with Term to Expire May, 2009.**

Councilor Miller moved and Councilor Nesbitt seconded the motion to the continued appointment of Marla Larson and Marian Hicks on the Zoning Board of Adjustments and Appeals, with the term to expire in May, 2009.

Roll call vote, yes: Medina, Harriman, Ferguson, Miller, Nesbitt. So carried.

Roll call vote, no: None.

**Action on Request from Gunnison Home Association Re; Use of Land for Senior RV Park.**  
– Action was taken by motion and vote under “Unfinished Business”.

**Action on Request from Cattlemen’s Days Association for Police Department Presence/Overtime.** – No Action taken per discussion under “Unfinished Business”.

**Action on Request from Tenderfoot Family and Child Development Center for Waiver of Electric Fees.** – Action was taken by motion and vote under “Unfinished Business”.

**Ordinance and Resolutions:**

**Ordinance No. 7, Series 2006, Re: Amending Chapter 2.20, Purchasing Policy and Procedure, of the 2006 Municipal Code, 1st Reading.** – Action was taken by motion and vote under “Unfinished Business”.

**City Attorney: Rod Landwehr:** Reported the case has been filed in District Court in Gunnison County to have declared a lien on the property at 313 South Boulevard and to foreclose that lien to recover the costs of the demolition and removal of the improvements thereon that was effectively rendered unsafe by a fire last June 2005. We are proceeding forward with that matter. We have tried to contact the owners but they have dropped out of sight & we have no idea where they are. The City will ask the Court to authorize Notice by Publication. The City Attorney briefly reviewed what has happened to date.

**City Manager: Ken Coleman.** Reported: 1. The affordable housing discussion will be brought forward to Planning and Zoning Commission tomorrow night by he and Steve; 2. The Audit has been completed and Wendy will report further on that. Auditors reported that we have an excellent Finance Department that was extremely helpful, very organized, and provided all of the information that they had available to them in a timely manner. They were extremely complementary of Wendy & her staff.

**Acting City Manager Departmental Report: Finance Director Wendy Hanson.** Director Hanson reviewed the departmental report placed in Council’s packets and will answer any questions Council may have. The finished audit field work last week and will present to Council at the end of this month. Statutory regulations require us to file report with you by June 30<sup>th</sup>. Thanks to all the departments that helped provide information. Not included in the report, she attended the National Government Finance Officers Association (GFOA) Conference in Montreal. Two items of interest discussed at the annual meeting were: 1. The GFOA has written a letter to Congress and is asking them to get involved in health insurance issues because it continues to increase for employers, and they will continue to pursue that avenue. 2. The impact of internet sales and sales tax. Councilor Miller asked if the City has an investment portfolio? Finance Director replied no. She is working on an investment policy for the City as the current policy is very restrictive: CD’s w/local banks & two governmental asset pools. She is looking at possibly expanding it to other arenas and have an investment portfolio. Discussion followed. Council thinks it’s a great idea. Her department is now beginning to work on the 2007 budget. The City requires budget requests by the 1<sup>st</sup> of September. Preliminary work w/Capital Improvement projects, Fleet, and computer replacement begins in June & July.

**Deputy City Clerk: Tracy Meehan.** Reported that City Clerk Davidson will return from vacation next Tuesday.

**Non-Scheduled Citizens:** None.

**General Discussion/Items for Work Session:**

**Mayor Ferguson: Report on May 12<sup>th</sup> RTA meeting:** Generally the information was positive. Revenues are doing well and they don’t have to do a tax anticipation note; continuing discussion about negotiations with airlines; and continues to reaffirm its commitment to ground transportation.

**Councilor Harriman: Report on Planning & Zoning Commission Meeting:** Continues to work through the Master Plan; Planning Department is getting very busy. **Report on Gunnison County Housing Authority Meeting:** The Board didn't meet, however they were invited to attend the presentation at CBMR on the North Village.

**Councilor Nesbitt:** Reported on Thursday's meeting with 2 of the 3 consultants for the bid packets on the West Gunnison Neighborhood Plan, the third consultant meeting was on Thursday. There are very good prospects, very encouraging.

**Councilor Miller:** Nothing to report.

**Councilor Medina:** Nothing to report.

**Mayor Ferguson** added a few additional things – He wants Council's input regarding the national project of Mayors' on the environment. Councilors Nesbitt & Medina expressed a concern of it being used against the City further down the road. Discussion on his meeting with MGA consultants, the Public Relations firm for US Energy. Rich Karas will accompany him. He'd like to begin a dialog and keep lines of communication open and encourage public involvement and input.

**Adjournment:** At 8:00 P.M.

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Mayor

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Deputy City Clerk